

23<sup>rd</sup> October, 2019

<b>BSE Limited</b> Corporate Relationship Department, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001.  <b>BSE Scrip Code: 532756</b>	<b>National Stock Exchange of India Limited</b> Corporate Relationship Department, Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.  <b>NSE Scrip Code: MAHINDCIE</b>
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**Subject: Un-audited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended on 30<sup>th</sup> September, 2019 along-with Limited Review Report by Statutory Auditors**

Dear Sir/Madam,

Pursuant to Regulation 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Un-audited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended on 30<sup>th</sup> September, 2019 were duly approved by the Board of Directors at their meeting held today i.e., 23<sup>rd</sup> October, 2019, please find enclosed the same along-with Limited Review Report by Statutory Auditors.

The meeting commenced at 3:30 p.m. and concluded at 6:15 p.m.

Kindly acknowledge the receipt and take the same on the records.

Thanking you,

Yours faithfully,  
For Mahindra CIE Automotive Limited



**Pankaj Goyal**  
Company Secretary and Compliance Officer  
Membership No.: A 29614



Encl: As above

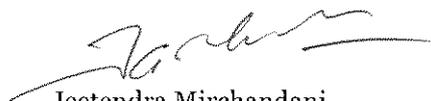


# Price Waterhouse Chartered Accountants LLP

To  
The Board of Directors  
Mahindra CIE Automotive Limited  
Mahindra Towers  
P.K. Kurne Chowk,  
Worli, Mumbai-400018

1. We have reviewed the unaudited standalone financial results of Mahindra CIE Automotive Limited (the "Company") for the quarter ended September 30, 2019 and the year to date results for the period January 1, 2019 to September 30, 2019 which are included in the accompanying "Statement of Standalone and Consolidated Unaudited Results for the Quarter and Nine months ended September 30, 2019" together with the notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Jeetendra Mirchandani

Partner

Membership Number 48125

UDIN **19048125AAAACR7369**

Mumbai  
October 23, 2019

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*Price Waterhouse Chartered Accountants LLP, 7th Floor, Tower A - Wing 1, Business Bay, Airport Road  
Yerwada, Pune - 411 006  
T: +91 (20) 41004444, F: +91 (20) 41006161*

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identify no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

# Price Waterhouse Chartered Accountants LLP

To  
The Board of Directors  
Mahindra CIE Automotive Limited  
Mahindra Towers  
P.K.Kurme Chowk,  
Worli, Mumbai-400018

1. We have reviewed the unaudited consolidated financial results of Mahindra CIE Automotive Limited (MCIE) (the "Parent"), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group"), and associate companies [(refer Note 8 on the Statement)] for the quarter ended September 30, 2019 and the year to date results for the period January 1, 2019 to September 30, 2019 which are included in the accompanying 'Statement of Standalone and Consolidated Unaudited Results for the Quarter and Nine months ended September 30, 2019' together with the notes thereon (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initialed by us for identification purposes. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended September 30, 2018 and the corresponding period from January 1, 2018 to September 30, 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



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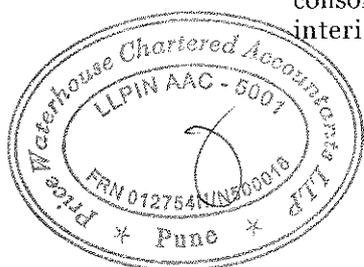
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# Price Waterhouse Chartered Accountants LLP

4. The Statement includes the results of the following entities:

Sr. No.	Name of the entity	Relationship	% of Holding	Country of Incorporation
			September 30, 2019	
1	Stokes Group Limited (SGL)	Subsidiary of MCIE	100%	UK
2	Stokes Forgings Dudley Limited	Subsidiary of SGL	100%	UK
3	Stokes Forgings Limited	Subsidiary of SGL	100%	UK
4	CIE Galfor, S.A.U. (Galfor)	Subsidiary of MCIE	100%	Spain
5	Mahindra Forgings Europe AG (MFE)	Subsidiary of Galfor	100%	Germany
6	Jeco Jellinghaus GmbH	Subsidiary of MFE	100%	Germany
7	Gesenschiemede Schneider GmbH	Subsidiary of MFE	100%	Germany
8	Falkenroth Unformtechnik GmbH	Subsidiary of MFE	100%	Germany
9	Schoneweiss & Co GmbH	Subsidiary of MFE	100%	Germany
10	Metalcastello S.p.A (MC)	Subsidiary of Galfor	99.96%	Italy
11	CIE Legazpi SA	Subsidiary of Galfor	100%	Spain
12	UAB CIE LT Forge	Subsidiary of Galfor	100%	Lithuania
13	Galfor Eólica, S.L	Associate of Galfor	25%	Spain
14	Bill Forge Private Limited (BF)	Subsidiary of MCIE	100%	India
15	BF Precision Private Limited	Subsidiary of BF	100%	India
16	Bill Forge Mexico, S.A de C.V	Subsidiary of BF	100%	Mexico
17	Gescrap India Private Limited (w.e.f March 27, 2018)	Associate of MCIE	30%	India
18	Aurangabad Electricals Limited (AEL) (w.e.f April 9, 2019)	Subsidiary of MCIE	100%	India
19	AE Deutschland GmbH (w.e.f April 9, 2019)	Subsidiary of AEL	100%	Germany

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information of nine subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of Rs. 9,561 million and Rs. 34,619 million, total net profit after tax of Rs. 475 million and Rs. 2,107 million and total comprehensive income of Rs. 475 million and Rs. 2,107 million, for the quarter ended September 30, 2019 and for the period from January 1, 2019 to September 30, 2019, respectively, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net profit after tax of Rs. 1 million and Rs. 3 million and total comprehensive income of Rs. 1 million and Rs. 3 million for the quarter ended September 30, 2019 and for the period from January 1, 2019 to September 30, 2019, respectively, as considered in the consolidated unaudited financial results, in respect of one associate company, whose interim financial information have not been reviewed by us. These financial information



## Price Waterhouse Chartered Accountants LLP

have been prepared in accordance with accounting principles generally accepted in their respective countries and have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries, whose report has been furnished to us, and our conclusion on the Statement to the extent they have been derived from such financial information is based solely on the report of such other auditors. The Company's management has converted the financial information of such subsidiaries and associate company from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Company's management. Our opinion insofar as it relates to the affairs of such subsidiaries and associate company are based on the report of other auditors and the conversion adjustments prepared by the management of the Company and reviewed by us and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

7. The consolidated unaudited financial results includes the interim financial information of two subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total revenue of Rs. 2,200 million and Rs. 4,394 million, total net profit after tax of Rs. 104 million and Rs. 195 million and total comprehensive income of Rs. 104 million and Rs. 195 million for the quarter ended September 30, 2019 and for the period from January 1, 2019 to September 30, 2019, respectively, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net loss after tax of Rs. 2 million and Rs. 1 million and total comprehensive loss of Rs. 2 million and Rs. 1 million for the quarter ended September 30, 2019 and for the period from January 1, 2019 to September 30, 2019, respectively, as considered in the consolidated unaudited financial results, in respect of one associate company, based on their interim financial information which have not been reviewed. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.
8. We were neither engaged to review, nor have we reviewed the comparative figures for the quarter ended on September 30, 2018 and the year to date results for the period January 1, 2018 to September 30, 2018 and accordingly, we do not express any conclusion on the consolidated results in the Statement for the quarter and nine months ended September 30, 2018. As set out in note 10 to the Statement, these figures have been furnished by the Management. Our conclusion on the Statement is not modified in respect of the above matter.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Jeetendra Mirchandani  
Partner  
Membership Number 48125  
UDIN 19048125 AAAACQ 1430

Mumbai  
October 23, 2019

MAHINDRA CIE AUTOMOTIVE LIMITED

Regd. Office : Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400 018.

CIN: L27100MH1999PLC121285

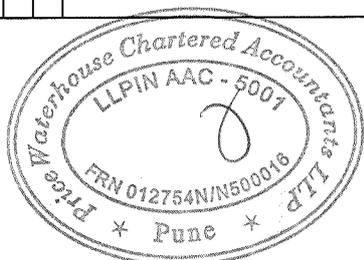
Tel: +91 2135 663300 Fax: +91 2135 663407

Website: www.mahindracie.com E-mail: mcie.investors@mahindracie.com

STATEMENT OF STANDALONE AND CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2019

Rs. in Million

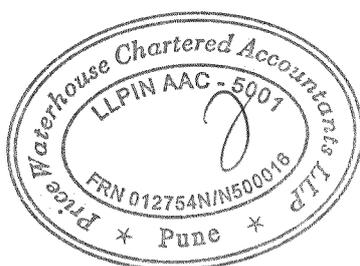
	Particulars	Consolidated					
		Quarter Ended			Nine Months Ended		Year Ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	December 31, 2018
		Unaudited	Unaudited	(Refer Note 10)	Unaudited	(Refer Note 10)	Audited
	<b>Continuing Operations</b>						
I	Revenue from operations	18,685.02	21,419.93	19,810.92	61,848.86	60,565.09	80,315.38
II	Other Income	41.62	77.67	66.73	267.71	205.27	386.86
III	Total Revenue (I+II)	18,726.64	21,497.60	19,877.65	62,116.57	60,770.36	80,702.24
IV	Expenses						
a)	Cost of materials consumed	8,567.87	10,205.74	9,028.31	28,948.95	28,146.34	37,736.82
b)	Changes in stock of finished goods and work-in progress	576.73	(140.98)	261.51	405.38	(456.95)	(1,421.45)
c)	Employee benefit expense	3,038.82	3,647.99	3,079.50	10,246.16	9,913.86	13,296.70
d)	Finance costs	198.31	115.41	42.27	416.65	310.85	501.51
e)	Depreciation and amortisation expenses	788.60	843.99	675.00	2,373.02	2,130.20	2,867.49
f)	Other expenses	4,409.34	5,091.04	4,905.84	14,713.99	15,017.01	20,192.43
	Total Expenses (IV)	17,579.67	19,763.19	17,992.43	57,104.15	55,061.31	73,173.50
V	Profit before exceptional items and tax (III-IV)	1,146.97	1,734.41	1,885.22	5,012.42	5,709.05	7,528.74
VI	Exceptional items (Gain)/Loss -(Refer Note 4)	(51.04)	-	-	(51.04)	-	-
VII	Profit before tax (V-VI)	1,198.01	1,734.41	1,885.22	5,063.46	5,709.05	7,528.74
VIII	Tax expense (Refer Note 11)						
1)	Current tax	521.59	455.63	520.78	1,581.04	1,588.49	1,933.96
2)	(Excess)/short provision for tax of earlier years	-	-	-	-	-	(35.00)
3)	Deferred tax	64.66	16.54	5.88	70.60	55.28	144.30
	Total tax expense (VIII)	586.25	472.17	526.66	1,651.64	1,643.77	2,043.26
IX	Profit after tax (VII-VIII)	611.76	1,262.24	1,358.56	3,411.82	4,065.28	5,485.48
	<b>Discontinued Operation (Refer Note 2)</b>						
	Profit / (Loss) for the period for discontinued Operations	-	-	(442.95)	(13.03)	(472.53)	(504.00)
	Tax Expense for Discontinued Operations	-	-	-	-	-	-
	Profit after tax (Continuing and Discontinued operations)	611.76	1,262.24	915.61	3,398.79	3,592.75	4,981.48
X	Other Comprehensive income						
A	i) Items that will not be reclassified to profit or loss	-	-	-	-	-	(53.00)
	ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	17.00
B	i) Items that will be reclassified to profit or loss	(140.00)	(271.45)	905.24	(643.53)	1,582.59	737.00
	ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income	(140.00)	(271.45)	905.24	(643.53)	1,582.59	701.00
XI	Total comprehensive income for the period (IX+X)	471.76	990.79	1,820.85	2,755.26	5,175.34	5,682.48
	Earnings per equity share face value INR 10 each						
1)	Basic EPS						
	Continuing Operation	1.61	3.33	3.59	9.01	10.74	14.49
	Discontinued Operation	-	-	(1.17)	(0.03)	(1.25)	(1.33)
2)	Diluted						
	Continuing Operation	1.61	3.33	3.58	9.00	10.73	14.48
	Discontinued Operation	-	-	(1.17)	(0.03)	(1.25)	(1.33)



STATEMENT OF STANDALONE AND CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2019

Rs. In Million

		STANDALONE					
		Quarter Ended			Nine Months Ended		Year Ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	December 31, 2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	4,714.23	5,409.14	6,524.10	16,548.95	19,144.25	25,342.74
II	Other Income	48.99	64.96	66.54	262.12	188.19	248.52
III	Total Revenue (I+II)	4,763.22	5,474.10	6,590.64	16,811.07	19,332.44	25,591.26
IV	Expenses						
a)	Cost of materials consumed	2,463.57	2,923.78	3,685.26	8,963.31	10,783.80	14,224.45
b)	Changes in stock of finished goods and work-in progress	96.54	65.51	(60.40)	142.85	(226.83)	(261.95)
c)	Employee benefit expense	653.71	679.71	726.75	2,051.62	2,119.60	2,846.58
d)	Finance costs	52.99	54.23	21.13	136.03	56.69	82.04
e)	Depreciation and amortisation expenses	187.61	181.05	185.51	546.89	558.10	738.96
f)	Other expenses	1,084.76	1,199.25	1,383.02	3,648.20	4,119.79	5,442.14
	Total Expenses (IV)	4,539.18	5,103.53	5,941.27	15,488.90	17,411.15	23,072.22
V	Profit before exceptional items and tax (III-IV)	224.04	370.57	649.37	1,322.17	1,921.29	2,519.04
VI	Exceptional items (Gain)/Loss -(Refer Note 4)	268.86	-	-	268.86	-	1,286.00
VII	Profit before tax (V-VI)	(44.82)	370.57	649.37	1,053.31	1,921.29	1,233.04
VIII	Tax expense (Refer Note 11)						
1)	Current tax	367.61	139.40	223.29	762.18	642.23	830.91
2)	(Excess)/short provision for tax of earlier years	-	-	-	-	-	(35.00)
3)	Deferred tax	(86.50)	(2.35)	0.32	(85.74)	29.08	81.98
	Total tax expense (VIII)	281.11	137.05	223.61	676.44	671.31	877.89
IX	Profit after tax (VII-VIII)	(325.93)	233.52	425.76	376.87	1,249.98	355.15
X	Other Comprehensive income						
A	i) Items that will not be reclassified to profit or loss	-	-	-	-	-	(11.76)
	ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	4.10
B	i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income	-	-	-	-	-	(7.66)
XI	Total comprehensive income for the period (IX+X)	(325.93)	233.52	425.76	376.87	1,249.98	347.49
	Earnings per equity share face value INR 10 each						
1)	Basic	(0.86)	0.62	1.12	0.99	3.30	0.94
2)	Diluted	(0.86)	0.62	1.12	0.99	3.30	0.94



**Mahindra CIE Automotive Limited**

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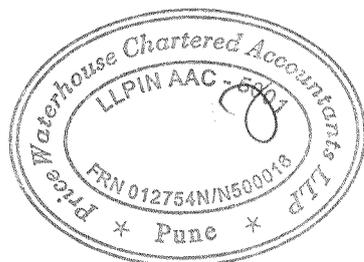
All Companies within the Mahindra CIE Group belong to the same business segment (Automotive) and two geographical segments, India and Europe as presented below:

Rs. in Million

Particulars	CONSOLIDATED					
	Quarter Ended			Nine Months Ended		Year Ended
	September 30, 2019 Unaudited	June 30, 2019 Unaudited	September 30, 2018 (Refer Note 10)	September 30, 2019 Unaudited	September 30, 2018 (Refer Note 10)	December 31, 2018 Audited
<b>1 Segment Revenue</b>						
a) India	9,190.26	9,734.93	8,709.60	27,449.10	25,672.78	33,886.38
b) Europe	9,559.86	11,732.72	11,191.95	34,618.90	35,158.08	46,789.12
<b>Total</b>	<b>18,750.12</b>	<b>21,467.65</b>	<b>19,901.55</b>	<b>62,068.00</b>	<b>60,830.86</b>	<b>80,675.50</b>
<b>Less:</b>						
Inter Segment Revenue	65.10	47.72	90.63	219.14	265.77	360.12
<b>Net Sales / Income from Operations</b>	<b>18,685.02</b>	<b>21,419.93</b>	<b>19,810.92</b>	<b>61,848.86</b>	<b>60,565.09</b>	<b>80,315.38</b>
<b>2 Segment Results</b>						
<b>Profit before tax and interest</b>						
a) India	678.45	794.85	925.06	2,465.85	2,757.17	3,587.75
b) Europe	717.87	1,054.97	1,002.43	3,014.27	3,262.73	4,442.50
<b>Total</b>	<b>1,396.32</b>	<b>1,849.82</b>	<b>1,927.49</b>	<b>5,480.12</b>	<b>6,019.90</b>	<b>8,030.25</b>
<b>Less</b>						
i) Interest	198.31	115.41	42.27	416.66	310.85	501.51
<b>Total Profit before Tax</b>	<b>1,198.01</b>	<b>1,734.41</b>	<b>1,885.22</b>	<b>5,063.46</b>	<b>5,709.05</b>	<b>7,528.74</b>
<b>3 Segment Assets</b>						
a) India	47,299.37	49,265.12	34,579.95	47,299.37	34,579.95	41,158.03
b) Europe	40,393.63	42,098.19	50,480.24	40,393.63	50,480.24	44,145.98
<b>Total</b>	<b>87,693.00</b>	<b>91,363.31</b>	<b>85,060.19</b>	<b>87,693.00</b>	<b>85,060.19</b>	<b>85,304.01</b>
<b>4 Segment Liabilities</b>						
a) India	16,302.18	19,565.21	11,027.39	16,302.18	11,027.39	13,305.13
b) Europe	26,028.18	26,725.28	31,520.29	26,028.18	31,520.29	29,109.92
<b>Total</b>	<b>42,330.36</b>	<b>46,290.49</b>	<b>42,547.68</b>	<b>42,330.36</b>	<b>42,547.68</b>	<b>42,415.05</b>

**Note:**

1. Segment information is exclusive of Discontinued operations.
2. India includes Mexico operations which are currently not significant.



MAHINDRA CIE AUTOMOTIVE LIMITED

Regd. Office : Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400 018.

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STATEMENT OF STANDALONE AND CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2019

Notes:

- 1 The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- 2 In September 2018, the Board of Directors of Mahindra CIE Automotive Limited decided to dispose off the forging business in the United Kingdom, corresponding to the company Stokes Group Limited. Due to that decision, the company has discontinued the operations of Stokes Group Limited, classifying them as a disposal group, and reclassifying the profit and loss account of the Company to results from discontinued operations in its consolidated result.
- 3 The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on October 23, 2019. These results are subjected to Limited Review by the auditors of the Company in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).
- 4 **Exceptional items relating to the statement of standalone and consolidated unaudited results for the quarter and nine months ended September 30, 2019:**
  - a. Bill Forge Private Limited (BFPL) entered into settlement agreement dated August 21, 2019 with Donald J. Ulrich Associates, Inc. ("DJU") (a former Independent sales agent of BFPL) to pay USD 3 million in full settlement against the damages claimed of USD 10 million. Hence, excess provision amounting to USD 7 million (INR 473 million) was reversed during the quarter.
  - b. Provision for impairment of investment in Sai Wardha Power Generation Limited, amounting to INR 49 million during the quarter. The Company did not anticipate any amount to be recovered from this investment. Hence, the Company had recognised full impairment loss on the said investment.
  - c. Provision against levy of cross subsidy charges and additional surcharge by Maharashtra State Electricity Distribution Company Limited amounting to INR 100 million during the quarter on account of power consumption from non-captive generating plant.
  - d. Provision recognised for Provident Fund liability basis Supreme Court judgement in 'Regional provident fund commissioner (II) West Bengal vs Vivekananda Vidyamandir and Others' amounting to INR 120 million and INR 145 million respectively in the standalone unaudited results and consolidated unaudited results respectively.
  - e. Provision made for expenses pertaining to employees of Bill Forge Private Limited under The Voluntary Retirement Scheme amounting to INR 128 million.

**Exceptional items in the Standalone Financial Results for the year ended December 31, 2018 pertain to:**

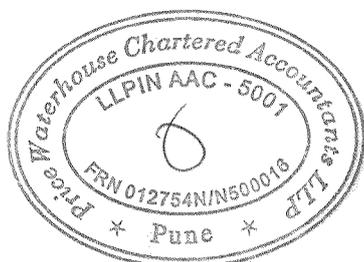
- a. Provision for impairment on additional investment in Stokes Group Limited, wholly owned subsidiary of the Company, amounting to INR 1,161 million, to facilitate closure of business. The Company did not anticipate any amount to be recovered from this investment. Hence, the Company had recognised full impairment loss on the said investment.
  - b. Loss on sale of investment in Mahindra Forgings Europe AG (MFE), one of the wholly owned subsidiaries of the Company, to CIE Galfor S.A.U. (Galfor), another wholly owned subsidiary of the Company amounting to INR 125 million.
- 5 Ind AS 115 - Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018 replaces existing revenue recognition requirements. Application of Ind AS 115 to the Company (w.e.f. January 1, 2019) did not have any material adjustments on recognition and measurement of revenue and related items in the financial results of the Company.
  - 6 The Board of Directors of the Company at its meeting held on September 25, 2018, approved the scheme of merger between Bill Forge Private Limited, wholly owned subsidiary, and the Company. The scheme of merger was filed with the National Company Law Tribunal (NCLT) on October 29, 2018. The scheme of merger has been approved by Hon'ble NCLT, Bengaluru on September 6, 2019 and the Order has been filed with Registrar of Companies, Karnataka on October 3, 2019. The petition for the scheme of merger with Hon'ble NCLT, Mumbai was heard on September 20, 2019. Impact of this merger will be given once the scheme is approved by the NCLT, Mumbai and filed with Registrar of Companies.
  - 7 On April 9, 2019 (the "Acquisition date"), the company has acquired 100% equity of Aurangabad Electricals Limited for a purchase consideration of INR 8,759 million. Given that the acquisition has recently been completed, the purchase price has been allocated to assets and liabilities on a provisional basis as per Ind AS 103- Business Combinations. Accordingly provisional goodwill amounting to INR 6,750 million (As at September 30, 2019 : INR 6,761 million) has been recognised in the consolidated balance sheet as at the acquisition date. The management expects to identify and measure the identifiable assets acquired and liabilities assumed at their acquisition date fair value by March 31, 2020. Any new information obtained during measurement period about facts and circumstances that were existing as of the acquisition date, that would have affected the measurement of the amounts recognised as of that date will be adjusted against the provisional amount of goodwill recognised. Due to the acquisition, the numbers of the current period are not comparable to the previous periods disclosed.
  - 8 The subsidiaries and associate companies forming part of consolidated financial results of Mahindra CIE Automotive Limited (MCIE) are listed in "Annexure A" annexed herewith the statement.
  - 9 The consolidated net profit of the company also includes net profit of its associate companies which is not material.
  - 10 The consolidated financial results of the company for the quarter and nine months ended September 30, 2018 as reported in these financial results have been approved by the Board of Directors, but have not been subjected to review / audit by the auditors.
  - 11 The Company elected to exercise the option under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has re-measured its opening Deferred Tax Liability as on April 1, 2019 and recognised Provision for Income Tax for the quarter ended September 30, 2019 at the revised 'effective' annual tax rate to its interim pre-tax profits.
  - 12 Previous period figures have been regrouped/reclassified, wherever necessary to conform to the current period classification.

For and on behalf of the Board of Directors,

Executive Director

Date : October 23, 2019

Place : Mumbai



MAHINDRA CIE AUTOMOTIVE LIMITED

Regd. Office : Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400 018.

CIN: L27100MH1999PLC121285

Tel: +91 2135 663300 Fax: +91 2135 663407

Website: www.mahindracie.com E-mail: mcie.investors@mahindracie.com

STATEMENT OF STANDALONE AND CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2019

Annexure A - Subsidiaries forming part of the MCIE Group and it's Associate Companies

S. No.	Name of the entity	Relationship	% of Holding	Country of Incorporation
			September 30, 2019	
1	Stokes Group Limited (SGL)	Subsidiary of MCIE	100%	UK
2	Stokes Forgings Dudley Limited	Subsidiary of SGL	100%	UK
3	Stokes Forgings Limited	Subsidiary of SGL	100%	UK
4	CIE Galfor, S.A.U. (Galfor)	Subsidiary of MCIE	100%	Spain
5	Mahindra Forgings Europe AG (MFE)	Subsidiary of Galfor	100%	Germany
6	Jeco Jellinghaus GmbH	Subsidiary of MFE	100%	Germany
7	Gesensschmiede Schneider GmbH	Subsidiary of MFE	100%	Germany
8	Falkenroth Unformtechnik GmbH	Subsidiary of MFE	100%	Germany
9	Schoneweiss& Co GmbH	Subsidiary of MFE	100%	Germany
10	Metalcastello S.p.A (MC)	Subsidiary of Galfor	99.96%	Italy
11	CIE Legazpi SA	Subsidiary of Galfor	100%	Spain
12	UAB CIE LT Forge	Subsidiary of Galfor	100%	Lithuania
13	Galfor Eólica, S.L	Associate of Galfor	25%	Spain
14	Bill Forge Private Limited (BF)	Subsidiary of MCIE	100%	India
15	BF Precision Private Limited	Subsidiary of BF	100%	India
16	Bill Forge Mexico, S.A de C.V	Subsidiary of BF	100%	Mexico
17	Gescrap India Private Limited (w.e.f. March 27, 2018)	Associate of MCIE	30%	India
18	Aurangabad Electricals Limited (AEL) (w.e.f. April 9, 2019)	Subsidiary of MCIE	100%	India
19	AE Deutschland GmbH (w.e.f. April 9, 2019)	Subsidiary of AEL	100%	Germany

